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NIXON PEABODY, LLP 401 9TH STREET, NW SUITE 900 WASHINGTON, DC 20004-2128				UBER, NATHAN C
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/566,174	FUNG ET AL.	
	Examiner	Art Unit	
	NATHAN C. UBER	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 12 March 2009.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-36 is/are pending in the application.
 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 1-36 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____ .
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)	5) <input type="checkbox"/> Notice of Informal Patent Application
Paper No(s)/Mail Date _____.	6) <input type="checkbox"/> Other: _____ .

DETAILED ACTION

Status of Claims

1. This action is in reply to the amendment filed on 12 March 2009.
2. Claims 1, 33 and 35 have been amended.
3. Claims 1-35 are currently pending and have been examined.

Continued Examination Under 37 CFR 1.114

4. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 12 March 2009 has been entered.

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 33 and 34 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to a particular machine or apparatus (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here claims 33 and 34 fail to meet the above requirements because the

claims do not transform underlying subject matter and because they are not tied to a particular machine. Examiner notes the specific disclosure of particular machines in claim 33; however the method claims simply *providing* these machines. The broadest reasonable interpretation of the claim language suggests merely allowing access to the various machines mentioned in the limitation. There is no recitation of a machine that facilitates the *providing*, thus the particular machines in the claim limitations are not tied to the claimed method.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

8. **Examiner's Note:** The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

9. Claims 1-24, 28 and 32-35 are rejected under 35 U.S.C. 102(e) as being anticipated by Kawan (U.S. 6,889,198 B2).

Claims 1, 33 and 35:

Kawan as shown discloses the following limitations:

- *a plurality of electronic tokens for storing and processing token transaction data and token reward data, each of said electronic tokens for use by a respective user (see at least figure 1, smart card, see also at least column 5, lines 11-15, transaction log and purse value stored within the card, see at least column 9, lines 1-3, processing occurs on the card),*
- *a plurality of user interaction devices for communicating with said server, at least one of which is provided with a token acceptor device for reading from and writing to said tokens (see at least column 9, lines 5-9, see also at least column 10, lines 7-19, an interaction device, merchant terminal, or merchant PC, interacts with the smart card and the central server),*
- *wherein said server transaction data and said token transaction data are indicative of at least one transaction and said server and token reward data are indicative of rewards or entitlements earned or otherwise awarded (see at least column 5, line 11-15, transaction log and purse value stored within the card),*
- *said system is operable to transfer, for a respective token, server reward data from said server to said respective token and token reward data from said respective token to said server by means of said user interaction device provided with a token acceptor device (see at least column 10, lines 7-19, loyalty program is real time driven and operated at the host and facilitates synchronization between host databases and information stored on the card),*
- *whereby said rewards or entitlements are redeemable either according to reward data stored on said token or according to reward data stored on said server (see at least column 7, lines 48-49, customer may redeem loyalty points according to data stored on the loyalty card or central host server; see also at least column 9, lines 1-3, processing occurs on card itself; see also at least column 10-lines 7-19, host real-time server),*

- *a computer server for storing and processing server transaction data and server reward data associated with each of said respective tokens in real time* (see at least column 10, lines 7-19, host computer, real-time processing; see also at least column 9, lines 1-9, merchant terminal reports to central system on-line in real time),
- *whereby said user interaction devices may transmit to said server said token transaction data corresponding to both an instant transaction and to one or more previous transactions, to thereby provide redundancy in transaction data received by said server* (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system).

Claim 2:

Kawan, as shown, discloses the following limitations:

- *said system is operable by each of said users 1) to transfer reward data from said server to a respective token of said respective user so that said respective user can redeem said rewards or reward points by presentation of said token* (see at least column 10, lines 7-19, loyalty program is real time driven and operated at the host and facilitates synchronization between host databases and information stored on the card; see also at least column 7, lines 48-49, customer may redeem loyalty points according to data stored on the loyalty card or central host server),
- *2) to transfer reward data from a respective token of said respective user to said server so that said respective user can redeem said rewards or reward points by communicating with said server* (see at least column 10, lines 7-19, loyalty program is real time driven and operated at the host and facilitates synchronization between host databases and information stored on the card;

see also at least column 7, lines 48-49, customer may redeem loyalty points according to data stored on the loyalty card or central host server).

Claim 3:

Kawan, as shown, discloses the following limitation:

- *each of said tokens is additionally adapted to store token user data pertaining to said respective user* (see at least column 5, lines 59-67 and column 6, lines 1-2, loading the loyalty program onto the card includes loading customer identification information).

Claim 4:

Kawan, as shown, discloses the following limitations:

- *said server is additionally adapted to store server user data pertaining to said respective user* (see at least column 10, lines 7-19, host maintains database information),
- *said system is operable to synchronize said token user data with said server user data for a respective user when the respective token of said user is used with one of said user interaction devices having a token acceptor device* (see at least column 10, lines 7-19, loyalty program is real time driven and operated at the host and facilitates synchronization between host databases and information stored on the card).

Claim 5:

Kawan, as shown, discloses the following limitation:

- *each of said tokens is any one of: a smart card, a chip in a mobile telephone, a chip in a personal digital assistant, a chip in a watch, and a chip in a key chain, wherein each of said tokens is operable to interact with said token acceptor device* (see at least figure 1, smart card).

Claim 6:

Kawan, as shown, discloses the following limitation:

- *said transaction data includes, for each transaction, unique transaction identification data* (see at least column 5, line 25, unique transaction number).

Claim 7:

Kawan, as shown, discloses the following limitation:

- *said system is operable to transfer data between said server and said tokens so that said system can reconcile said transaction data or said reward data* (see at least column 10, lines 7-19, loyalty program is real time driven and operated at the host and facilitates synchronization between host databases and information stored on the card).

Claim 8:

Kawan, as shown, discloses the following limitation:

- *said user interaction devices are provided with processing software for recording said transaction data and said reward data relating to said transaction in said user interaction device, and to record said transaction data only in said tokens when said tokens are presented at said user interaction devices in the course of a transaction or activity* (see at least column 10, lines 7-19, loyalty program is real time driven and operated at the host and facilitates synchronization between host databases and information stored on the card).

Claim 9:

Kawan, as shown, discloses the following limitations:

- *said system is operable to transmit said transaction data and said respective reward data for each of said transaction rewards in said user interaction device to said server, and* (see also at least column 9, lines 1-9, merchant terminal reports to central system on-line in real time),

- *said server is operable to check said transaction data for duplicates, to discard duplicates, to record said transaction data that are not duplicated and to accumulate said respective reward data in said server reward data (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system).*

Claim 16:

Kawan, as shown, discloses the following limitations:

- *at least one of said user interaction devices is equipped with a token acceptor device for retrieving said token transaction data from any of said tokens when said respective token is next used at one of said user interaction devices so equipped, and (see at least Figure 1),*
- *said respective user interaction device is configured to compute any rewards for a previous transaction (see at least column 6, lines 36-37, the terminal device may compute rewards and update the card),*
- *the resulting rewards data being sent to said server with said transaction data, whereby said server receives said transaction data and said reward data at least twice (see at least column 9, lines 1-9, merchant terminal reports to central system on-line in real time).*

Claim 36:

Kawan, as shown, discloses the following limitations:

- *at least one of said user interaction devices is equipped with a token acceptor device for retrieving said token transaction data and associated reward data from any of said tokens when said respective token is next used at one of said user interaction devices so equipped, and (see at least Figure 1),*
- *said respective user interaction device is configured to send to said server said transaction data and said associated reward data, whereby said server*

receives said transaction data and said reward data at least twice (see at least column 9, lines 1-9, merchant terminal reports to central system on-line in real time).

Claim 10:

Kawan, as shown, discloses the following limitation:

- *said transaction or activity comprises any one of: a purchase transaction, a payment transaction, a cash withdrawal transaction, a transaction to consume or redeem an entitlement, a visit, a subscription to a service, a use of a service, a retrieval of information, a request for information, a submission or provision of information, an application for membership, an access to a web page, a participation in an event, and a registration of a particular activity (see at least column 6, line 20, a purchase for example).*

Claim 11:

Kawan, as shown, discloses the following limitation:

- *each of said tokens is further adapted to store redemption data indicative of previously redeemed rewards or reward points (see at least column 7, lines 9-18, all transactions are recorded in the smart card and updated to the loyalty registers; redemption is a transaction).*

Claim 12:

Kawan, as shown, discloses the following limitation:

- *said user interaction devices are provided with processing software for computing an available balance of entitlements from at least some of said token transaction data, said redemption data, and said token reward data (see at least column 8, lines 50-65, an external terminal handles the processing).*

Claim 13:

Kawan, as shown, discloses the following limitation:

- *said user interaction devices are operable to display or print an available balance of entitlements* (see at least column 8, lines 1-3, display loyalty register balance).

Claim 14:

Kawan, as shown, discloses the following limitation:

- *said user interaction devices are operable to prompt a respective one of said users for an input indicative of whether said respective user wishes to redeem any reward according to an available balance of entitlements in an instant transaction* (see at least column 8, lines 1-3, display redemption choices).

Claim 15:

Kawan, as shown, discloses the following limitations:

- *wherein said server is configured to receive transaction data from said tokens* (see at least column 10, lines 7-19, host computer, real-time processing between card and host),
- *to compare said received transaction data with previously received transaction data* (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system),
- *to discard any duplicated transaction data, and* (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system),
- *to form a reconciled set of transaction data wherein said reconciled set of transaction data constitutes said server transaction data* (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system).

Claim 17:

Kawan, as shown, discloses the following limitation:

- *said system is configured to reconcile said token transaction data and said token reward data with said server transaction data and said server reward data when any of said respective tokens is used with a user interaction device provided with a token acceptor device for reading from and writing to said tokens (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system, this occurs whenever a transaction occurs).*

Claim 18:

Kawan, as shown, discloses the following limitation:

- *said system is configured to upload said token transaction data of a respective token to said server and thereby synchronize said respective token with said server, when said token is used with a user interaction device in online mode and provided with a token acceptor device for reading from and writing to said token, where said taken transaction data in said respective token had been added to said token when previously used with a user interaction device equipped with a token acceptor device, and where said token transaction data has not been previously transmitted to said server (see also at least column 9, lines 1-9, merchant terminal reports to central system on-line in real time).*

Claim 19:

Kawan, as shown, discloses the following limitation:

- *said server is configured to receive transaction and activity data corresponding to transactions or activities of a respective user on other business systems without using the respective token of said user, for determining rewards or entitlements to be awarded for said transactions and said activities, and recording the balance of such entitlements in said server reward data corresponding to said respective user (see at least column 12,*

lines 1-7, batch processing with computer system and column 9, line 9, periodic or batch processing; see also at least column 8, lines 34-35, it is possible to use one card for multiple merchants).

Claim 20:

Kawan, as shown, discloses the following limitation:

- *said system is configured to associate a respective username and password combination with each respective token, so that the respective user associated with said respective token can access said server reward data pertaining to said token by communication with said server and without said respective token* (see at least column 5, lines 44-67, information is entered into the smart card by ATM or computer including PIN),

Claim 21:

Kawan, as shown, discloses the following limitation:

- *wherein when said token reward data of a respective token is transferred to said server, said transferred token reward data is incorporated into said respective server reward data pertaining to said respective token, and removed from said respective token* (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system).

Claim 22:

Kawan, as shown, discloses the following limitation:

- *when said server reward data corresponding to a respective token is transferred to said respective token, said transferred server reward data is incorporated into said respective token reward data of said respective token, and removed from said server* (see at least column 7, lines 9-18, all transactions are compared when updating/synchronizing data between card and system).

Claim 23:

Kawan, as shown, discloses the following limitation:

- *for use by a plurality of Providers of goods, services or both goods and services* (see at least column 8, lines 34-35, it is possible to use one card for multiple merchants).

Claim 24:

Kawan, as shown, discloses the following limitation:

- *for use by a plurality of groups of Providers, each group comprising one or more Providers, each of said groups providing a set of entitlements to said users, and each of said groups having its own set of business rules for awards and redemptions of entitlements, wherein reward data information of said set of entitlements is kept in each of said tokens and, for each of said set of entitlements, said server holds one set of offline reward data and one set of server reward data* (see at least column 8, lines 34-35, it is possible to use one card for multiple merchants).

Claim 28:

Kawan, as shown, discloses the following limitation:

- *said system is configured to convert entitlement information awarded by a respective said user interaction device in a local currency to the currency of said respective token* (see at least column 7, lines 28-31, an algorithm to convert value in dollars to loyalty points).

Claim 32:

Kawan, as shown, discloses the following limitations:

- *said transaction comprises an activity* (see at least column 6, line 20, a purchase for example),
- *said server transaction data comprises server activity data* (see at least column 6, line 20, a purchase for example),

- *and said token transaction data comprises token activity data (see at least column 6, line 20, a purchase for example).*

Claim 34:

Kawan, as shown, discloses the following limitation:

- *including additionally providing each of said tokens with token user data pertaining to said respective user (see at least column 5, lines 59-67 and column 6, lines 1-2, loading the loyalty program onto the card includes loading customer identification information).*

Claim Rejections - 35 USC § 103

10. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.
11. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:
 1. Determining the scope and contents of the prior art.
 2. Ascertaining the differences between the prior art and the claims at issue.
 3. Resolving the level of ordinary skill in the pertinent art.
 4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
12. Claims 25 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kawan (U.S. 6,889,198 B2) in view of Sehr (U.S. 5,566,327).

Claim 25:

Kawan discloses the limitations as shown in the rejections above. Kawan does not specifically disclose transferring data between cards, however, Sehr, as shown, does:

- *wherein rewards can be transferred from a first of said tokens to a second of said tokens by transferring either token reward data or server reward data from said first to said second token* (see at least column 5, lines 26-29, a user may use a previous card and apply it/transfer it to a new card or may reuse an old card),

It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the transfer capabilities of the Sehr invention with the Kawan invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claim 26:

The combination Kawan/Sehr discloses the limitations as shown in the rejections above.

Further Sehr, as shown, discloses the following limitation:

- *said transfer is effected by means of one or more of said user interaction devices configured to transmit information about said transfer to said server for updating the server reward data corresponding to said first token and said second token* (see at least Figure 2),

It would have been obvious to one having ordinary skill in the art at the time the invention was made to provide the transfer capabilities of the Sehr invention with the Kawan invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

13. Claim 27 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kawan (U.S. 6,889,198 B2) in view of Sehr (U.S. 5,566,327) and in view of **Official Notice**.

Claim 27:

Kawan discloses the limitations as shown in the rejections above. Kawan does not specifically disclose the location of any one user interaction device;

- *said user interaction devices are located in a plurality of countries, said countries collectively employ a plurality of currencies, and*

However Examiner takes **Official Notice** that it is old and well known in the art that electronic systems may be adapted for use in multiple physical locations, including in different countries, as required by the purchaser of the system.

Kawan does not disclose transacting in multiple currencies, however, Sehr, as shown, does:

- *said user interaction devices in each of said countries transact in a respective local currency, and wherein said tokens contain entitlement information based on said token reward data converted to the local currency of the respective user interaction device by said user interactive device or by said server so that an entitlement can be redeemed in a respective country (see at least column 5, line 20, the payment options include foreign currency),*

It would have been obvious to one having ordinary skill in the art at the time the invention was made to retain the foreign currency functionalities disclosed in the Sehr invention and incorporate them into the Kawan invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

14. Claim 29 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kawan (U.S. 6,889,198 B2) in view of **Official Notice**.

Claim 29:

Kawan discloses the limitations as shown in the rejections above. Kawan does not specifically disclose the following limitations:

- *each group of a plurality of groups of Providers maintains in each of said tokens profile data relating to said respective group and of a user of said respective token, wherein a first of said groups of Providers can establish a business relationship with a second of said groups for the purpose of sharing the whole or parts of said profile data relating to said second Group, and ask a particular user at one of said user interaction devices of said first Group, during a transaction or activity, for permission to use said profile data for making an offer relevant to said respective user according to business rules encoded in said user interaction device, wherein user interaction device is provided with a token acceptor device for reading from and writing to said tokens and said user of said respective token can indicate consent by entering a password or PIN, which is used by said user interaction device to access said profile data.*

However Examiner takes **Official Notice** that it is old and well known in the art at the time of the invention that *Providers* of incentive programs, which are themselves collectors of purchase history and demographic information of customers, may engage in cross promotional deals with other *Providers* and/or may sell or exchange accumulated customer information to other *Providers* for marketing purposes. Therefore it would have been obvious to one having ordinary skill in the art at the time the invention was made to enable customer information accumulated in the cards and on the servers to be accessed by *Providers* because *Providers* can use that information to improve their marketing tactics and will be more likely to participate in an incentive offering program if they could obtain data to demonstrate the successes and weaknesses of their marketing strategies.

15. Claims 30 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kawan (U.S. 6,889,198 B2) in view of Freeman et al (U.S. 6,450,407).

Claim 30:

Kawan discloses the limitations as shown in the rejections above. Kawan does not specifically disclose the following limitation, however, Freeman, as shown, does:

- *said system is operable to allow a first of said users to leave a standing instruction recorded in said server to transfer entitlements from said server reward data to credit a specified account* (see at least column 10, lines 24-32, the rebate can be transferred by various methods),

It would have been obvious to one having ordinary skill in the art at the time the invention was made to combine the elements of the rebate system of Freeman to the loyalty system of Kawan because many *Providers* prefer to provide cash incentives rather than coupons and the Kawan invention would appeal to a wider audience of *Providers* and consumers if it was adapted to handle cash incentives.

Claim 31:

The combination Kawan/Freeman discloses the limitations as shown in the rejections above. Freeman further discloses the following limitation:

- *said specified account is adapted to receive said transferred entitlements as payments of insurance premiums, for telecom bills, utility bills, outstanding loans or for other goods or services, the reward data of another set of entitlements of the same user or the reward data of another set of entitlements of another user, and said transfer can be effected on a regular basis or when a set of specified conditions are met* (see at least column 10, lines 24-32),

It would have been obvious to one having ordinary skill in the art at the time the invention was made to combine the transferability of Freeman with the Kawan invention because this extends the utility of the Kawan invention to *Providers* that may not have POS services or CID/TAD machines.

Response to Arguments

16. Applicant's arguments with respect to the claims have been considered but are moot in view of the new ground(s) of rejection above.
17. With regard to claims 27 and 29, the common knowledge declared to be well-known in the art is hereby taken to be admitted prior art because the Applicant failed to traverse the Examiner's assertion of Official Notice. To adequately traverse the examiner's assertion of Official Notice, the Applicant must specifically point out the supposed errors in the Examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. A general allegation that the claims define a patentable invention without any reference to the Examiner's assertion of Official Notice is inadequate. See MPEP 2143.

Art Unit: 3622

Conclusion

18. Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the Examiner should be directed to **Nathan C Uber** whose telephone number is **571.270.3923**. The Examiner can normally be reached on Monday-Friday, 8:30am-4:00pm EST. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **Eric Stamber** can be reached at **571.272.6724**.
19. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair> <<http://pair-direct.uspto.gov>>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at **866.217.9197** (toll-free).
20. Any response to this action should be mailed to:

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or faxed to **571-273-8300**.

21. Hand delivered responses should be brought to the **United States Patent and Trademark Office Customer Service Window**:

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/Nathan C Uber/ Examiner, Art Unit 3622
27 May 2009

/Arthur Duran/
Primary Examiner, Art Unit 3622